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Summary

There is a potentially big market for U.S. environmental technology products in the rapidly developing Turkish market. Turkey, despite having a relatively effective environmental law, has not been able to implement environmental protection measures until recently, due to the scarcity of resources and the developing nature of the economy. However, with the start of the accession talks with the European Union, Turkey has adopted a new environmental law to initiate the harmonization of its environmental regulations with EU standards. Alignment with the EU standards is creating an environmental infrastructure and technologies market that will ultimately be worth €70.5 billion. The alignment is planned for completion by 2024.

Market Demand

Turkey is one of the fastest growing economies in the world; this is a result of many factors. Turkey has:

- A young population composed of 70 million people with a rising consumption level,
- real GDP growth of 5.2 percent in 2005 which is expected to maintain at least this level in the coming years,
- growing industrial production and new industrial investments,
- decreasing inflation and interest rates which trigger investments,
- an increasing level of Foreign Direct Investment which reached \$10 billion in 2005, and
- active participation in international trade, with an export volume of \$73 billion and an import volume of \$116 billion in 2005.

Typical of all growing economies with increasing industrial production, environmental protection issues have become highly controversial in Turkey. On the one hand, the state and the local authorities are trying to protect the environment with the limited resources they have; on the other, the industrialists are trying to grow their businesses in a competitive environment and do not always respect standards for environmental protection. This has been the vicious circle the Turkish environmental market has been in until lately.

Environmental protection has been on the agenda of successive governments since 1972, when Turkey first included environmental protection measures in its 3rd five-year development plan. The first environmental law was passed by Parliament in 1983, and the Ministry of Environment was established in 1991. In 1998, the country announced its 'National Environment Strategy and Action Plan,' which specified that a protected environment is a prerequisite for a developing economy. Turkey signed eleven international treaties on environmental protection between 1992-2002. Environment protection is being addressed through the following directives:

- Directive for Environmental Impact Assessment
- Directive for Solid Waste Control
- Directive for Hazardous Waste Control
- Directive for Air Quality Control
- Direction for Sea Pollution Control
- Directive for Medical Waste Control

However, the fact remains that insufficient fines for environmental infractions and inadequate site inspections have significantly slowed the progress of environmental protection.

Starting in 2000, environmental protection issues have become a hot issue in the country's agenda. This was mainly triggered by the start of the accession talks between Turkey and the EU. The environment is one of the thirty-five chapters that Turkey must negotiate with EU; due to the fact that the EU environmental standards are

very demanding, the relevant chapter is going to take much longer to finalize compared to the rest. The regulatory harmonization with the EU is scheduled for completion by the end of 2010. The Turkish Parliament has taken the first step with respect to harmonization by passing a new 'Environmental Law' in April 2006. There are now much stronger fines and penalties to prevent individuals and industrialists from polluting the environment. In order to prevent industrial pollution at its starting point, the government will offer industrial plants a reduction in their electricity bills if they set up their own waste treatment facilities. With respect to fines, typically under the former law, companies that dumped and buried their waste illegally were fined approximately \$5,200; the new law makes them liable for fines up to a maximum level of \$2,000,000. All new investment projects now have to conform to the EU environmental protocols in order to receive permission for operations.

On the investment side, harmonization with the EU acquis will necessitate €70.5 billion in the coming twenty years. In a recent statement to the Turkish Daily News, the Minister of Environment and Forestry, Mr. Osman Pepe, said that €68 billion of this volume would be spent on capital investment and the rest would be on technical support programs and personnel expenses. The total investment value may increase to €90 billion when the investments required by the 'chemicals directive' are added to the total picture.

The amount that would be spent by the state on the capital investment would be €50 billion, whereas the private sector would spend €18 billion. The largest portion of this chain of investment, €35 billion, would be for wastewater and drinking water facilities. This would be followed by investment in solid waste management and prevention of air pollution.

As far as the timeline for the investments is concerned, it is estimated that €30 billion would be spent by 2014 and the rest would be spent by 2024. Sixty-five percent of solid waste is targeted for disposal in controlled fashion by the end of 2012. EU funds are expected to provide for 15 percent of this total investment, which means that there will be need for financing from other international institutions.

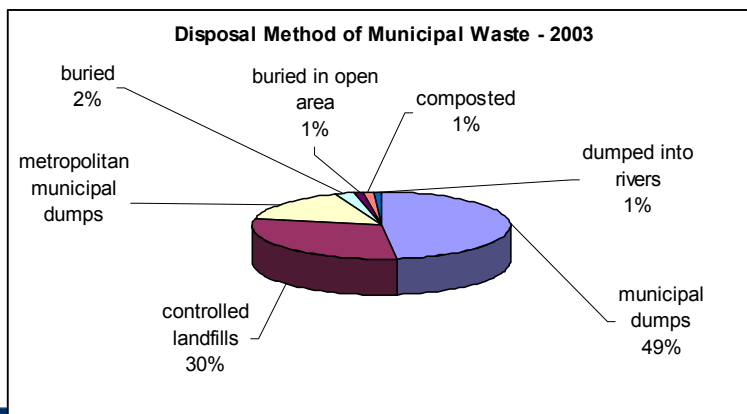
The State Institute of Statistics began official compilation of waste statistics in the 1990s. The Institute has surveyed the municipalities annually since 1994, covering:

- water supply and distribution
- wastewater collection and discharge
- solid waste collection, transportation and disposal, and
- environmental expenditures and employment.

Solid Waste Management

According to the research carried out in 2003:

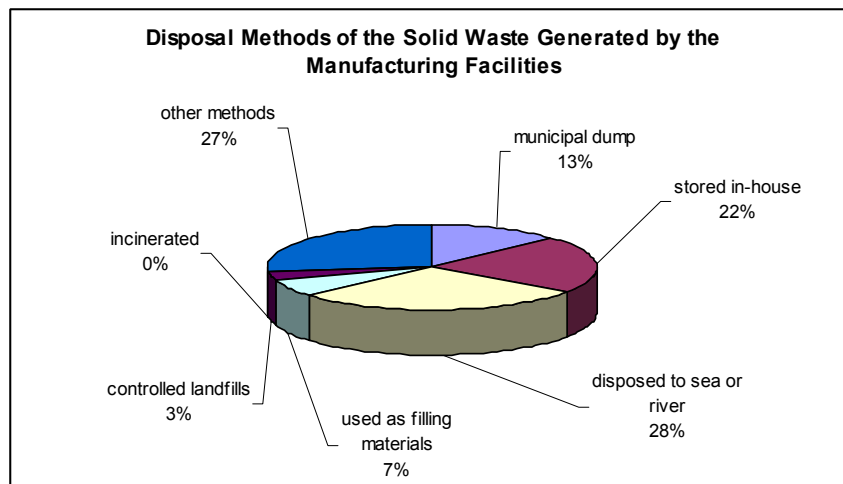
- 26.1 million tons of solid waste were collected in 3,011 municipalities in Turkey. Daily per capita waste collection is 1.38 kg.
- Half of this waste is of organic nature and about 15 percent originates from various packaging materials like glass, metal, plastics and paper.
- The disposal methods of the municipal waste authority were:



The State Institute of Statistics made similar measurements for industrial waste in 2000, surveying 3,000 manufacturing facilities with more than 25 employees. This represented 88.33 percent of total production. According to the results of the survey it was found that 17,058 million tons of industrial waste is generated in Turkey by manufacturing facilities. Of this amount,

- 8.6 percent was recycled or reused in the facility itself,
- 34.68 percent was sold and
- 56.76 percent was disposed of

The disposal methods were as below:



Only eleven among 3,215 municipalities across Turkey have 'controlled landfills' and only one of these has a composting facility.

The amount of hazardous waste generated by manufacturing facilities in 2000 was 1,308 million tons.

- 10.84 percent was recycled in-house,
- 26.25 percent was sold, and
- 62.91 percent was disposed of.

When the hazardous waste generated at mining facilities and thermal power plants is added in, the total amount reaches 2.5 million tons.

One of the biggest problems experienced with the disposal of hazardous waste is that there is only one plant for the disposal of such waste in Turkey; the name of this plant is IZAYDAS. This comes nowhere near meeting the needs of the whole country. The utilization rate of this facility by the private sector is also very low, the primary reason being that there is a fee associated with the disposal process and the transportation of the waste to IZAYDAS. Two months ago, a big scandal broke out in Turkey when a sizeable amount of hazardous waste was found buried in a country site close to a residential area. This scandal has underlined the need for new, easily accessible treatment plants. There are now plans to build eight new hazardous waste disposal and treatment plants in various parts of Turkey.

The amount of medical waste generated in Turkey is not measured accurately. According to research done in 1996 by the State Institute of Statistics, the amount of medical waste generated per day per hospital bed is 3.3 kg and the number of hospital beds is close to 200,000. There are 1,250 hospitals in Turkey, but there are only six incineration plants, located in relatively large cities. Thus, it is assumed that a lot of medical waste gets mixed up with normal waste in the municipal landfills.

Water and Wastewater Treatment

On the wastewater front, the total number of municipalities with wastewater treatment plants is 225 out of 3,225; these serve 11 percent of the total population of the country. Istanbul enjoys the maximum amount of wastewater treatment: 85 percent of its wastewater is being treated. ISKI, the Istanbul Water and Sewerage Authority, plans for further investment for the treatment of wastewater in coming years.

There are 58 organized industrial zones, which are composed mainly of small and medium size industrial plants, and only 16 of these have wastewater treatment plants. Of these 16, only 9 have a license to dispose of this wastewater.

Seventy-five percent of industrial wastewater is disposed of without any treatment into the rivers and sea, 20 percent is treated and the remaining 5 percent gets only a preliminary treatment. There are approximately 190,000 industrial enterprises with 25 or fewer employees, and only 1.4 percent of them are located in organized industrial zones, which may or may not be able to afford an up and running treatment system.

Air Pollution Control

In the 1980s, Turkey was dependent on coal for heating, which resulted in heavy air pollution all across the country. As a result of this, the government now enforces the use of coal with low sulphur content and has started promoting the use of natural gas for heating. Today, approximately 16 percent of the country's energy imports is composed of natural gas.

Emissions from industrial plants, thermal power plants and cars also contribute to air pollution. Using catalytic converters has helped decrease the pollution caused by cars, but the problem of exhaust gas has not been solved. Smokestack emissions contribute almost 40 percent of the total sulphur dioxide pollution in the country. Even though, in the last few years, there have been efforts to ensure that the industrial areas do not operate outside environmental protection standards, there are thousands of industries that have been active for many years and which eventually will have to install air pollution prevention systems.

There is no country-wide system to monitor air quality. The municipalities of major cities are now starting to do this, and are publishing periodic emission inventories and data on pollutants. The government is trying to integrate the smaller cities into this system beside the large, industrial ones.

Market Data

According to the figures from the Turkish State Institute of Statistics, the export value of environmental technology products from the United States to Turkey between 2000 and 2006 (January-April) has been \$1,233,288,947 and the amount of exports from Turkey to the United States has been \$114,634,925 during the same period. There are 113 products defined in the 'environmental technologies' category. Below is an analysis of these transactions on a yearly basis:

Year	Export from U.S. To Turkey	growth %	Export from Turkey to U.S.	growth %	difference
2000	\$164,233,701		\$11,318,813		\$152,914,888
2001	\$149,289,450	-9%	\$12,036,789	6%	\$137,252,661
2002	\$136,274,044	-9%	\$13,075,257	9%	\$123,198,787
2003	\$160,476,409	18%	\$15,100,124	15%	\$145,376,285
2004	\$245,657,859	53%	\$17,746,676	18%	\$227,911,183
2005	\$275,299,194	12%	\$32,358,055	82%	\$242,941,139
2006	\$102,058,290		\$12,999,211		\$89,059,079
total	\$1,233,288,947		\$114,634,925		\$1,118,654,022
* 2006 is not taken into the calculations of 'growth %' as it covers the first four months of 2006					

During the same period, the export and import amount between EU countries and Turkey for the same products has been:

Year	Export from EU To Turkey	growth %	Export from Turkey to EU	growth %	difference
2000	\$1,423,018,126		\$134,113,960		\$1,288,904,166
2001	\$1,228,500,375	-14%	\$150,053,723	12%	\$1,078,446,652
2002	\$1,677,564,504	37%	\$154,222,794	3%	\$1,523,341,710
2003	\$1,740,139,484	4%	\$255,049,922	65%	\$1,485,089,562
2004	\$2,266,607,621	30%	\$287,478,950	13%	\$1,979,128,671
2005	\$2,892,162,707	28%	\$738,257,914	157%	\$2,153,904,793
2006	\$912,572,651		\$203,118,157		\$709,454,494
total	\$12,140,565,468		\$1,922,295,420		\$10,218,270,048
* 2006 is not taken into the calculations of 'growth %' as it covers the first four months of 2006					

During the same period, the export and import amount between Turkey and countries other than the United States and EU for the same products had been:

Year	Export from 'others' To Turkey	growth %	Export from Turkey to 'others'	growth %	difference
2000	\$482,794,301		\$178,859,023		\$303,935,278
2001	\$416,707,194	-14%	\$191,635,516	7%	\$225,071,678
2002	\$462,971,219	11%	\$261,548,827	36%	\$201,422,392
2003	\$674,404,224	46%	\$326,124,076	25%	\$348,280,148
2004	\$1,061,880,738	57%	\$609,976,550	87%	\$451,904,188
2005	\$1,629,186,022	53%	\$765,709,948	26%	\$863,476,074
2006	\$501,748,204	-69%	\$258,213,860		\$243,534,344
total	\$5,229,691,902		\$2,592,067,800		\$2,637,624,102
* 2006 is not taken into the calculations of 'growth %' as it covers the first four months of 2006					

The top-10 products by export value from U.S. to Turkey in 2005 are:

HS code #	Description of the product	Export from U.S. To Turkey - 2005
902780	other instruments and apparatus	\$38,574,764
902750	Other instruments and apparatus using optical radiations	\$22,288,189
902730	Spectrophotometers	\$19,095,337
847989	Other, electromechanical appliances with self-contained electric motor	\$16,685,544
854389	Other, electrical machines and apparatus having individual functions	\$11,289,631
903180	Other instruments, appliances, and machines	\$10,033,439
848180	Other appliances, taps, cocks, valves	\$9,868,627
903289	Other, regulating or controlling instruments	\$9,382,074
841381	Other pumps, turbine pumps, windmill pumps	\$6,031,955
841480	Other, except parts, air or vacuum pumps, air or other gas compressors and fans; ventilating or recycling hoods	\$5,813,832

The total list of product groups exported from U.S. to Turkey in the first four months of 2006 is:

HS code #	Description of the product	Export from U.S. To Turkey - 2006 Jan -Apr
840211	Steam generating boilers, exceeding 45 t per hour	\$12,254,023
902780	other instruments and apparatus	\$10,739,447
902730	Spectrophotometers	\$6,926,065
902750	Other instruments and apparatus using optical radiations	\$6,093,652
841410	Vacuum Pumps	\$5,362,536
854389	Other, electrical machines and apparatus having individual functions	\$5,015,303
847989	Other, electromechanical appliances with self-contained electric motor	\$4,966,341
848180	Other appliances, taps, cocks, valves	\$2,781,688
903180	Other instruments, appliances, and machines	\$2,780,713
903289	Other, regulating or controlling instruments	\$2,556,064
842199	Other, centrifuges, including centrifugal dryers; filtering or purifying machinery for liquids and gases	\$2,100,901
842121	Filtering or purifying machinery or apparatus for liquids for filtering or purifying water	\$2,017,331
842139	Other, filtering or purifying machinery for gases	\$1,711,211
841480	Other, except parts, air or vacuum pumps, air or other gas compressors and fans; ventilating or recycling hoods	\$1,692,811
842490	Parts, appliances for dispersing or spraying liquids or powders	\$1,656,054
847990	Parts for machines having individual functions, not specified elsewhere in chapter (e.g. parts of shredders oil filters to get the oil out and recover metal)	\$1,590,126
840290	Parts	\$1,473,256
903149	Other instruments, appliances, and machines	\$1,452,597
841490	Ventilating & recycling hoods	\$1,374,994
841381	Other pumps, turbine pumps, windmill pumps	\$1,361,794
841360	Other rotary positive displacement pumps	\$1,235,755
841350	Other reciprocating positive displacement pumps	\$1,230,741
902720	Gas, liquid, and other chromatographs	\$1,201,705
847982	Machines for crushing, grinding, sifting	\$1,187,806
842220	Machinery for cleaning and drying bottles	\$1,132,627
847780	Other machinery, machinery for working rubber or plastics (e.g. shredders to recycle plastic)	\$1,081,068
841430	Compressors of a kind used in refrigeration, including air conditioning	\$1,055,276
842951	Mechanical shovels, excavators and shovel loaders	\$1,026,203
902610	For measuring or checking the flow or level of liquids	\$988,502
901320	Lasers	\$923,381
902620	For measuring or checking pressure	\$872,983
902680	other instruments and apparatus	\$835,525
730900	Reservoirs, tanks, vats of iron or steel	\$806,233
841370	Other centrifugal pumps	\$776,680
848140	Safety or relief valves	\$714,159
847790	Parts of other machinery, machinery for working rubber or plastics (e.g. parts of shredders to recycle plastic)	\$609,242
903300	Parts and accessories, not specified, for regulating or controlling instruments	\$559,519
902690	parts and accessories	\$551,492
842129	Other, filtering or purifying machines for liquids	\$546,779
842131	Intake air filters for internal combustion engines	\$485,316
842920	Graders and levelers	\$442,418
841780	Other, except parts, industrial or laboratory furnaces and ovens, including incinerators	\$407,626
852530	television cameras	\$375,663
842940	Tamping machines and road rollers	\$374,500
902710	Gas or smoke analysis apparatus	\$368,962
842710	Self-propelled trucks powered by an electric motor (ie. pumper trucks for sludge removal)	\$334,152
847490	Parts, machinery for sorting, screening, separating, washing, crushing, grinding, mixing or kneading (e.g. parts of shredders to recycle glass)	\$305,742
841989	Other machinery, plant, or laboratory equipment for the treatment of materials / Machinery for treatment of materials involving a change in temperature	\$301,485
903220	Controlling instruments, manostats	\$300,797
903290	Parts and accessories, regulating or controlling instruments	\$293,602
852540	Still image video cameras and other video	\$272,330
903010	Instruments and apparatus for measuring or detecting ionizing radiations	\$268,949
842820	Pneumatic elevators and conveyors	\$266,186
903281	Other controlling instruments, hydraulic and pneumatic	\$255,479
843141	Other machinery - buckets, shovels, grabs, and grips	\$245,855
848130	check valves	\$233,436
841790	Incinerator parts	\$231,096
870590	Other special purpose vehicles - designed not for the transport of people	\$220,213
591190	Other, textile products and articles, for technical uses	\$218,374
847420	Crushing or grinding machines (e.g. shredders to recycle glass)	\$199,195
851410	Resistance heated furnaces and ovens	\$190,799
902580	other instruments	\$184,045
842959	other	\$170,381
847950	Industrial robots, not elsewhere specified or included	\$167,940
842919	Other, bulldozers and angledozers	\$166,415
902810	gas meters	\$164,512
902519	other	\$150,578
848110	pressure reducing valves	\$138,369
903210	thermostats	\$118,017
701990	Glass fiber filters	\$112,882
842832	Other, bucket types continuous action conveyers	\$96,635
842952	Machinery with a 3600 revolving superstructure (backhoes, shovels, clamshells, & draglines)	\$91,925
841710	Industrial Furnaces	\$82,802
842191	Parts of centrifuges	\$74,188
840219	Other vapor generating boilers	\$58,571
851430	other furnaces	\$57,069
731029	Other containers	\$53,189
730300	Soil Pipe	\$46,012
902820	liquid meters	\$40,200
840490	Parts	\$38,027
851610	Soil heating apparatus	\$30,410
842119	Other, centrifuges including filtering or purifying machine for liquid or gas /	\$26,138
840410	Auxiliary plant for use with boilers	\$25,395
841939	Other dryers	\$24,564
841940	Distilling or rectifying plant	\$22,409
841919	Solar Waste Heaters	\$19,850
902740	exposure meters	\$10,879
842389	Other, weighing machinery	\$10,520
842381	Other weighing machinery, capacity not exceeding 30 KG	\$9,353
842382	Other weighing machinery, capacity exceeding 30 KG but not 5,000 KG	\$8,834
731010	Tanks or drums of a capacity of 50 liters or more / Storage tanks and process vessels	\$8,631
902511	Thermometers and pyrometers, not combined with other instruments	\$5,381
851440	Other induction or dielectric heating equipment	\$2,234
252100	Limestone	\$1,863
900659	other	\$1,134
840420	Condensers for steam or other vapor	\$1,081
761090	Other, aluminum structures: aluminum plates, rods, profiles, tubes and the like, prepared for use in structures	\$1,059
580190	Other woven pile fabrics and chenille fabrics	\$1,052
731021	Tanks or drums of a capacity of less than 50 liters / Storage tanks and process vessels	\$988
Grand Total		\$102,058,290

The top-20 products imported from EU countries in 2005 are:

HS code #	Description of the product	Export from EU To Turkey - 2005
847989	Other, electromechanical appliances with self-contained electric motor	\$261,407,321
890190	Other vessels for the transport of goods (water storage tanks)	\$237,222,851
848180	Other appliances, taps, cocks, valves	\$176,856,688
842959	other	\$147,374,104
847780	Other machinery, machinery for working rubber or plastics (e.g. shredders to recycle plastic)	\$114,160,467
841430	Compressors of a kind used in refrigeration, including air conditioning	\$106,867,990
842951	Mechanical shovels, excavators and shovel loaders	\$93,384,123
903289	Other, regulating or controlling instruments	\$88,170,848
903180	Other instruments, appliances, and machines	\$87,383,572
842952	Machinery with a 3600 revolving superstructure (backhoes, shovels, clamshells, & draglines)	\$87,228,015
841480	Other, except parts, air or vacuum pumps, air or other gas compressors and fans; ventilating or recycling hoods	\$78,451,186
854389	Other, electrical machines and apparatus having individual functions	\$75,998,035
841370	Other centrifugal pumps	\$68,317,056
842129	Other, filtering or purifying machines for liquids	\$55,869,526
841989	Other machinery, plant, or laboratory equipment for the treatment of materials / Machinery for treatment of materials involving a change in temperature	\$49,540,963
902780	other instruments and apparatus	\$47,323,267
847990	Parts for machines having individual functions, not specified elsewhere in chapter (e.g. parts of shredders oil filters to get the oil out and recover metal)	\$43,586,441
842139	Other, filtering or purifying machinery for gases	\$42,686,879
903210	thermostats	\$41,619,042
870590	Other special purpose vehicles - designed not for the transport of people	\$41,386,065

The top-20 products imported from countries other than the United States and EU countries in 2005 are:

HS code #	Description of the product	Export from 'others' To Turkey - 2005
842952	Machinery with a 3600 revolving superstructure (backhoes, shovels, clamshells, & draglines)	\$307,798,644
890190	Other vessels for the transport of goods (water storage tanks)	\$215,963,294
841430	Compressors of a kind used in refrigeration, including air conditioning	\$162,020,063
852540	Still image video cameras and other video	\$148,492,475
854389	Other, electrical machines and apparatus having individual functions	\$74,188,478
842951	Mechanical shovels, excavators and shovel loaders	\$49,513,583
842959	other	\$48,168,450
847989	Other, electromechanical appliances with self-contained electric motor	\$47,334,371
848180	Other appliances, taps, cocks, valves	\$41,571,373
842139	Other, filtering or purifying machinery for gases	\$36,404,771
842920	Graders and levelers	\$31,526,702
841480	Other, except parts, air or vacuum pumps, air or other gas compressors and fans; ventilating or recycling hoods	\$28,885,806
847780	Other machinery, machinery for working rubber or plastics (e.g. shredders to recycle plastic)	\$27,686,445
852530	television cameras	\$25,856,839
903289	Other, regulating or controlling instruments	\$24,213,894
903180	Other instruments, appliances, and machines	\$22,285,749
851610	Soil heating apparatus	\$20,066,118
842129	Other, filtering or purifying machines for liquids	\$20,007,976
841989	Other machinery, plant, or laboratory equipment for the treatment of materials / Machinery for treatment of materials involving a change in temperature	\$17,288,584
902780	other instruments and apparatus	\$16,405,734

Best Prospects

There are many opportunities for U.S. companies in the quickly developing Turkish environmental market. There are not enough hazardous waste and medical waste treatment plants in Turkey, and there are national plans to build new ones. U.S. environmental companies actively engaged in the consultancy, engineering or equipment sides of hazardous/medical waste treatment field can be very profitable in Turkey in the near to medium term.

In order to generate alternative energy, initial steps are under way in waste-to-energy projects at some of the landfills in Turkey. This is another potentially fruitful area for U.S. corporate participation.

There are not enough landfills for storing solid waste across Turkey. The construction of new ones will start incrementally, and U.S. companies interested in the construction and management of new landfills could be instrumental in this area. Solid waste handling equipment for use in collection or at the landfills is also needed.

There is only one composting facility in Turkey but many others are already needed. Likewise, recycling at the source or at the further stages is not at desired levels; equipment used for recycling is likely to be in demand here.

Manure disposal is a problem at farms; manufacturers of manure disposal equipment should consider marketing their products here.

Development of municipal water/wastewater treatment is taking place more rapidly than the other areas of environmental protection. There are still thousands of municipalities that do not have proper water/wastewater treatment system. Some of the smaller towns, due to their limited financial capability, may not be able to undertake large projects with international players, but there are still cities with 250,000 + populations without a treatment facility. There are also plans to use bioreactor membrane technology in wastewater plants.

As far as the treatment of industrial wastewater is concerned, a small portion of industry fully complies with the rules and regulations on treatment of the wastewater generated at their own facilities. U.S. consultancy or equipment manufacturers may find business in this area as well.

There is a market for manufacturers of emission control devices in Turkey, as there are only about 1,000 facilities that comply with air pollution protection regulations. One large municipality is planning on-line monitoring of the emission levels of factories in a particular region; U.S. companies experienced in this kind of project might find business in Turkey. Very recently, the municipalities of large cities have started working on installing air quality monitoring systems. We expect to see this effort spread country-wide.

Key Suppliers

Suppliers from EU countries have a strong position in this market, as can also be seen in the import-related tables above. The major reason is the proximity of EU countries to Turkey geographically. Costs associated with importing a product are typically less from EU countries. The 1996 Customs Union agreement between Turkey and the EU means that products originating from EU countries are not charged any import taxes. EU companies prefer to open direct offices here in Turkey or to assign agents to monitor developments and to report on local tender announcements.

Besides European companies, Japanese companies also track the projects in the Turkish market.

Prospective Buyers

The Ministry of Environment and Forestry is the body that makes and implements the macro-environmental plan on a national level. If a project is not a local one and better serves a country-wide cause, the Ministry itself may become the buyer of services or equipment. One such example is an air pollution-related project that is in use in a large number of cities across Turkey.

The local municipalities are responsible for the construction and management of solid waste or wastewater treatment plants.

Turkish industries are the other group of buyers that have potential for buying industrial waste treatment, recycling and air pollution prevention products and services from U.S. companies.

Alternatively, farmers may have interest in manure disposal solutions; the Ministry of Environment might be instrumental in introducing this technology to them.

Market Entry

To be successful in the Turkish market, most U.S. companies opt to have a local representative or a liaison office in entering the market. As the business develops, companies can open up subsidiaries. Companies rely on local experience and knowledge as to how business is done in this exciting market. Knowing the regulatory and business framework is almost an impossible task without the support of a local business partner. Marketing most foreign products in Turkey is through foreign suppliers' representatives or distributors. Depending on the location of consumers/end-users, most distributors have a dealer network throughout the country or in areas where the product is most used—in the case of several industrial sectors; a dealer/repair network may be required. Commission representatives/agents, on the other hand, periodically visit their customers together with their foreign principals to maintain strong personal contact, a very important marketing tool in Turkey. The Commercial Service

in Turkey has a number of programs and services available to assist the U.S. business community in establishing a presence in this market. In addition, the Commercial Service in Turkey employs experienced Commercial Specialists with industry sector expertise who can tailor your business approach to the right audience and to advise and steer your company through the often less than transparent bureaucratic procedures that are common in Turkey. To find out more about what we do to help you, please visit our web site at www.buyusa.gov/turkey/en.

U.S. Commercial Service prepares a 'Country Commercial Guide' every year. You may find detailed information on 'How to Do Business in Turkey' in the 2006 version at https://www.buyusa.gov/turkey/en/country_commercial_guide.html

There are also various weekly publications printing the announcements of tenders on large infrastructure projects including the environmental ones. You may learn about these publications by contacting ebru.olcay@mail.doc.gov at U.S. Commercial Service, Istanbul.

Market Issues and Obstacles

There are no major obstacles awaiting U.S. companies doing business in Turkey. There are, however, two points that U.S. environmental companies should be careful about when they are exporting to Turkey.

- Turkey has a Customs Union agreement with the EU, which means that EU companies do not pay an import tax when getting their products into the Turkish market. While many of the U.S. environmental products are exempt from the import tax, some of the products are liable for it. U.S. companies should check either with their customs broker or the U.S. Commercial Service in Turkey as to whether they need to pay an import tax. You will need to provide the HS code of your product.
- Turkey asks the manufacturers of a variety of products – especially machinery and electronic ones, to ensure that their product bears the CE mark. Products that require CE Mark but do not have it are not allowed into Turkey. U.S. companies should check if there is a need for their product to have a CE Mark before positioning their products in the Turkish market.

Trade Events

1. Recycling 2006 – 2nd International Waste Management and Recycling Fair

June 22-25, 2006

Tuyap Fair and Congress Center

Istanbul/Turkey

For more information: http://www.ifo.com.tr/recycling05/index_en.php

2. Wateco 2006 – 2nd International Water and Environmental Technologies Fair

November 9-11, 2006

Tuyap Fair and Congress Center

Istanbul/Turkey

For more information: <http://www.tuyap.com.tr/2006fuvar/fd.php?f=174>

3. BLACK SEA & CASPIAN ECOLOGY 2006 - 3rd International Black Sea & Caspian Ecology Conference & Showcase

November 24-25, 2006

Hilton Hotel & Convention Center

Istanbul/Turkey

For more information: <http://www.bemltd.com/pages/CaspianEcology.htm>

4. TURKEY & CIS ENVIROTECH 2006 - International Turkey & CIS Environmental Equipment & Services Conference & Showcase

November 24-25, 2006

Hilton Hotel & Convention Center

Istanbul/Turkey

For more information: <http://www.bemltd.com/pages/CaspianEcology.htm>

Resources & Key Contacts

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General Directorate of Environmental Management

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Ankara, Turkey

Phone #: [90] (312) 207-5000

Fax #: [90] (312) 207-6297

Website: www.cevreorman.gov.tr

Istanbul Metropolitan Municipality

Department of Environmental Protection & Development

Address: Kasim Sok. 34010

Merter, Istanbul

Phone #: [90] (212) 449-4747

Fax #: [90] (212) 449-4741

Website: www.ibb.gov.tr

Istanbul Water and Sewerage Authority – ISKI

Address: Kagithane Tesisleri Alibey Caddesi

Nurtepe Yolu 34406

Kagithane, Istanbul

Phone #: [90] (212) 321 0000

Fax #: [90] (212) 321 1030

Website: www.iski.gov.tr

Organization chart and contact people (in Turkish): [http://www.iski.gov.tr/dosya/yonetim_semasi\(05-06-2006\).pdf](http://www.iski.gov.tr/dosya/yonetim_semasi(05-06-2006).pdf)

Istanbul Environmental Protection and Waste Processing Corp. – ISTAC (a subsidiary of the Municipality)

Address: Baruthane Cop Aktarma Merkezi Yani

Ferikoy, Istanbul

Phone #: [90] (212) 230-6041

Fax #: [90] (212) 230-7614

Website: www.istac.com.tr/taniyalim-eng.asp

Ankara Water and Sewerage Authority – ASKI

Address: Kazım Karabekir Cd. 06030

Ulus, Ankara

Phone #: [90] (312) 306-7272

Fax #: [90] (312) 310-7006

Website: www.aski.gov.tr

Izmir Water and Sewerage Authority – IZSU

Address: Cumhuriyet Bulvarı No:16

Konak, Izmir

Phone #: [90] (232) 441 23 24

Website: www.izsu.gov.tr

TURMEPA - Turkish Maritime Environment Protection Association

Address: Nakkasatepe, Aziz Bey Sok. No:26

Kuzguncuk, Istanbul

Phone #: [90] (216) 310-9301

Fax #: [90] (216) 343-2177

Website: www.turmepa.org.tr/DT.Web/Default_en.aspx

For More Information

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